(f) if so, the details thereof; and

(g) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The National Savings Scheme, introduced with effect from 1st October 1992, has been discontinued with effect from 1st November 2002. No deposits can be made under the Scheme on or after 1st day of November 2002. However, the rate of interest payable on the deposits under this Scheme remain unchanged at the rate of 8 per cent per annum with effect from 1.3.2003.

(c) and (d) With effect from 22 October 1997, Reserve Bank of India has given freedom to commercial banks to fix their own interest rates on domestic term deposits of various maturities. As such, the rates of interest on deposits are being determined by the banks themselves with the prior approval of respective Board of Directors/Asset Liability Management Committee (ALCO). However, RBI regulates interest rates on savings bank, accounts and the current saving bank interest, which has remained unchanged at 3.5 per cent per annum from March 1, 2003.

(e) and (g) Question does not arise.

Committee on financial sector reforms

1611. SHRI RAJEEV SHUKLA: Will the PRIME MINISTER be pleased to state:

(a) whether Government's top level Committee on financial sector reforms has pointed out that the Reserve Bank of India (RBI) must cut interests quickly when inflation eases up;

(b) if so, whether according to the Chairman of the Committee, it is necessary as RBI raises rates when inflation is expected to exceed the objectives because growth exceeds the economy's potential;

(c) if so, what are the other main points suggested by the panel;

(d) to what extent these suggestions have been accepted; and

(e) to what extent the RBI has agreed to cut rates once the inflation is eased?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The High Level Committee on Financial Sector Reforms chaired by Prof. Raghuram G. Rajan in its report has stated as follows:-

"The RBI should formally have a single objective to stay close to a low inflation number, or within a range, in the medium term and move steadily to a single instrument, the short-term interest rate (repo and reverse repo) to achieve it.

The RBI should be as willing to cut rates when inflation is expected to fall below the objective so that the policy revives growth, as it is to raise rate when inflation is expected to exceed the objective because growth exceeds the economy's potential. It is in this way that the RBI can best support the objectives of growth and stability."

(**Source**: Chapter 1, page 5 of the aforesaid Report)

(c) The Recommendations of the Committee span over the areas of the macro-economic framework, broadening access to finance, levelling the playing field, creating more efficient markets, a growth-friendly regulatory environment and a robust infrastructure for credit.

(d) The recommendations need to be examined before any action can be taken by the Government thereon.

(e) In the recent past, with the easing of inflationary pressures combined with tightening of liquidity following the global financial crisis, the RBI has reduced the CRR and Repo Rates in several stages.

Performance of loan waiver scheme

†612. SHRI SATYAVRAT CHATURVEDI:
SHRI MOTILAL VORA:

Will the PRIME MINISTER be pleased to state:

(a) whether Government had announced a loan waiver of Rs. 73,000 crores to bail out the farmers during the Budget Session;

(b) the names of the States and the number of farmers whose loans have been waived off till 30th September, 2008;

(c) whether Government has received complaints to this effect on being asked information of loan waiver etc. by farmers, banks situated in rural areas neither give proper information nor inform them as to whether loans taken by them come under the loan waiver scheme or not; and

(d) whether Government would redirect the banks located in rural areas in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Government announced the Agricultural Debt Waiver and Debt Relief Scheme (ADWDRS), 2008 in the Union budget 2008-09, which was estimated to cost Rs. 60,000. crore. Subsequently, the Guidelines of ADWDRS were issued which broadened the scope of the Scheme and the total unaudited cost was estimated at Rs. 71,680 crore. The final figures will be available after the Statutory Audit of the lending institutions.

(b) The State-wise details of farmer beneficiaries under ADWDRS is at the Statement. (*See* below)

(c) and (d) As provided in the Guidelines of ADWDRS, every lending institution has appointed one or more Grievance Redressal Officers (GROs) for each State (having regard to the number of branches in that State). The name and address of the GRO concerned have been displayed in each branch of the lending institution. The GRO has the authority to receive representations from aggrieved farmers and pass appropriate orders thereon.

The GROs have so far received 1,45,000 complaints out of which 1,18,853 have been disposed of. It is also informed that all the Public Sector Banks have displayed the ADWDRS data on their respective websites. Further, 77 Regional Rural Banks too have displayed the ADWDRS data on the website of NABARD.

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†Original notice of the question was received in Hindi